REMARKS

Claims 1-4, 7-26, and 29-67 are pending in this application.

Claims 54-60 and 65-67 are allowed.

Claims 1-4, 7-12, 14, 17-26, 29-34, 37, 38, 40-49, 51-53, and 61-63 are rejected.

Claims 13, 16, 35, 36, 39, 50, and 64 are objected to.

Claims 1, 24, and 40 have been amended.

All amendments are made in a good faith effort to advance the prosecution on the merits. Applicant reserves the right to subsequently take up prosecution on the claims as originally filed in this or appropriate continuation, continuation-in-part and/or divisional applications.

Applicant respectfully requests that the amendments submitted herein be entered, and further requests reconsideration in light of the amendments and remarks contained herein.

Claim Rejections 35 U.S.C. § 102(e) - Tolman

Claims 1-4, 7-12, 17-21, 24-26, 29-34, 40-44, 47-49, 51, 53, and 61-63 have been rejected under 35 U.S.C. 102(e) as being anticipated by Tolman et al. (6,543,538) ("Tolman").

Applicant respectfully traverses this rejection as to all of the rejected claims.

As to amended claims 1 and 24, Applicants find no indication in Tolman of the step of "plugging at least partially the one or more fractures in the first zone with an *enhancing* isolation fluid." Rather, Tolman teaches using only a "diversion agent." A diversion agent is only used to divert the flow of well treatments. An isolation fluid, on the other hand enhances

conductivity of the flow channel into the well bore. There is no indication that the diversion agent of Tolman does anything other than divert.

As to claim 2, Applicants find no teaching or suggestion in Tolman that the abrasive fluid injected through the jetting tool (410) has solids (*see generally*, col. 17, lines 7-30).

As to claims 3 and 25, Tolman does not disclose "wherein the steps of injecting the fracturing fluid into the first and second zones is performed by the hydrajetting tool, which injects the fluid into the zones at a pressure above that required to fracture the formation." In fact, Tolman does not directly disclose that the jetting tool (410) is used to inject fracturing fluid. Rather, it states only that the "jetting tool 410 has been used to place perforations 420 to penetrate the first formation interval of interest" (col. 17, lines 19-21). While the discussion does include mention of hydraulic fractures (422), there is no indication that this is done with the jetting tool (410). Further, there is no indication in Tolman that this is done "at a pressure above that required to fracture the formation."

As to claims 4 and 26, Tolman does not discuss maintaining conductivity.

As to claims 19 and 20, Applicants find no teaching or suggestion in Tolman that isolation fluid, or even the diversion agent, fills a portion of the well bore. The only indications Applicants could find with reference to the position of the diversion agent of Tolman is in Figures 6-8 and 17. In figures 6-8, the balls 216, 218 rest at the openings of the perforation holes. In Figure 17, the particulate diverter 426 is shown within the perforations 420, but not in the well bore (col. 17, lines 22-24).

As to claim 40, Tolman does not disclose "initiating one or more fractures in the first zone of the subterranean formation by injecting a fracturing fluid into the one or more perforation tunnels through the *hydrajetting tool*." As noted above, Tolman does not teach or suggest that the jetting tool (410) is used to inject fracturing fluid. Rather, it states only that the "jetting tool 410 has been used to place perforations 420 to penetrate the first formation interval of interest" (col. 17, lines 19-21).

As to claim 61, Applicants find no teaching or suggestion in Tolman that the fracturing fluid of Tolman can plug the fractures in the first zone. Therefore, Tolman does not teach "pumping enough fracturing fluid into the well bore during step (d) to plug the fractures in the first zone."

As to remaining claims 7-12, 17-18, 29-34, 41-44, 47-49, 51, 53, and 62-63 rejected as anticipated by Tolman, They are dependent claims and are believed allowable for at least the same reasons as the claims from which they depend.

Accordingly, claims 1-4, 7-12, 17-21, 24-26, 29-34, 40-44, 47-49, 51, 53, and 61-63 are believed patentable over Tolman. Examiner is therefore requested to withdraw his rejection of these claims and allow these claims to issue.

Claim Rejections 35 U.S.C. § 103(a) - Tolman in view of Montgomery

Claims 14, 15, 37, 38, and 52 have been rejected under 35 U.S.C. 103(a) as being unpatentable over Tolman in view of Montgomery (6,070,666).

Applicant respectfully traverses this rejection as to claims 14, 15, 37, 38, and 52.

As to claims 14, 15, 37, and 38, they depend from amended claims 1 and 24, which include an "enhancing isolation fluid." Neither Tolman nor Montgomery teach an enhancing isolation fluid. Further, neither Tolman nor Montgomery discloses "removing the isolation fluid *from the first zone*." Rather Montgomery discloses only "the mixture of proppant and slump-inhibiting material may be removed from the *well* by sand washing or the like."

As to claim 52, it depends from claim 40, which includes an "enhancing isolation fluid." Additionally, as to underlying claim 40, neither Tolman nor Montgomery discloses "pumping additional fracturing fluid into the one or more fractures in the first zone through a wellbore annulus in which the hydrajetting tool is disposed so as to propogate the fracture." In fact, Montgomery expresses that exposing previously fractured locations to fracturing pressure is undesirable, stating that "[t]his results in unwanted extensions of the first fractures" (col. 3, lines 10-17).

Accordingly, claim 14, 15, 37, 38, and 52 are believed patentable over Tolman in view of Montgomery. Examiner is therefore requested to withdraw his rejection of these claims and allow these claims to issue.

Claim Rejections 35 U.S.C. § 103(a) - Tolman in view of Desbrow

Claims 22, 23, 45, and 46 have been rejected under 35 U.S.C. 103(a) as being unpatentable over Tolman in view of Desbrow (2,758,653).

Applicant respectfully traverses this rejection as to claims 22, 23, 45, and 46.

As to claims 22 and 23, they depend from amended claim 1, which includes an "enhancing isolation fluid." Neither Tolman nor Desbrow teach an enhancing isolation fluid.

As to claims 45 and 46, they depend from claim 40, which includes "injecting a fracturing fluid . . . through the hydrajetting tool." Neither Tolman nor Desbrow teach this.

Accordingly, independent claims 22 and 23 are believed patentable over Tolman in view of Desbrow, as are claims 45 and 46. Examiner is therefore requested to withdraw his rejection of these claims and allow these claims to issue.

Objection to Claims

Claims 13, 16, 35, 39, 50 and 64 are objected to as being dependent upon rejected base claims, but Examiner noted that they would be allowable if rewritten in independent form, including all of the limitations of the base claim and any intervening claims.

In light of the arguments and amendments, Applicant contends that the underlying independent claims are allowable. Therefore, claims 13, 16, 35, 39, 50 and 64 are also allowable, and Applicants respectfully request that Examiner withdraw his objection.

Allowable Subject Matter

Applicant gratefully acknowledges Examiner's allowance of claims 54-60 and 65-67.

SUMMARY

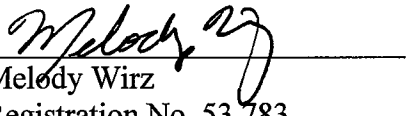
In light of the above amendments and remarks, Applicant respectfully submits that the application is now in condition for allowance and early notice of the same is earnestly solicited. Should the Examiner have any questions, comments or suggestions in furtherance of the prosecution of this application, the Examiner is invited to contact the attorney of record by telephone, facsimile or electronic mail, as indicated below.

Applicant believes that there are no fees due in association with the filing of this Response. However, should the Commissioner deem that any fees are due, including any fees for any extensions of time, Applicant respectfully requests that the Commissioner accept this as a Petition therefore, and directs that any fees be debited from Baker Botts L.L.P., Deposit Account No. 02-0383, *(formerly Baker & Botts, L.L.P.,)* Order Number 063718.0504.

Respectfully submitted,

BAKER BOTTS L.L.P. (023640)

Date: June 30, 2006

By: 

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